



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF

NOV 06 1984

NOV 2 1984

REGIONAL COUNSEL

OFFICE OF ENFORCEMENT
AND COMPLIANCE
MONITORING

MEMORANDUM

SUBJECT: Comments on Grace Petroleum Corp UIC Permit

FROM: Alan Morrissey *Alan*
Attorney-Advisor

TO: John Atchison
Office of Drinking Water

I have attached a marked up version of the proposed Grace Petroleum Corp UIC permit. These comments are offered in an effort not only to correct this permit but to also assist in the upcoming Nation Permit Writing Meeting. More of my general comments are discussed below.

The region is aware that the
1. The Statement of Basis is not part of the Permit. It is a regulatory requirement of part of the administrative record of the permit. *SO, YOU DON'T WANT TO SEE IT? We are aware of this, however we assume don't you want to see it, and the permittee would want to see it along w/ perm.*

2. Part I, of the permit should clearly state that this class II permit is not a shield to the permittee's independent obligation to comply with all UIC regulation. OK

144.51 3. As Derrick Hobson has pointed out, the section 7, Records, needs to be revised to comply with changes in the May 11, 1984 regulations. **DONE ALREADY.** *This has already been changed. Look for yourself.*

4. Part II, 11. Why is there a 3 month period for compliance? Hopefully compliance will be, should be, immediate upon issuance of the permit. **OH COME ON. GIVE THEM A BREAK.** *AT. A (P4/A plan) has been determined to comply w/ 144.52 (a)(6).*

5. Part II, 12. A sentence must be added to clarify that normal operation of the well is not allowed until permittee receives written permission from the RA after the initial mechanical integrity demonstration per 146.08 is evaluated. OK

6. In view of the questions raised by the current API litigation, I suggest the word "any" be substituted for the word "the" in Part II, 14(b) . . . any confining zone. This will clarify our intent that no zone which is a confining zone be fractured in normal operations. *OK*

#11 was meant to be specific to the monitoring period. We may simply insert a sentence in that context to clarify. all the other conditions are the same as before. (e.g. m.t.) or moved. upon eff date. We may clin Sec. E, and move and #10 into Sec. G (well open + monitor require).

7. The monitoring requirements for injection fluid analysis currently exclude any analysis for organics. We should at least be told if any chemicals are added to the produced brine. *This would be done if any change were made to inj. fluid - see #*

8. Part II, 20 Financial Responsibility section need to be revised so as to require appropriate security to be continuously maintained from the date the permit is issued. *OK - See att. memo*

9. There are no specific construction requirements listed. All permits, even those for existing wells need construction requirements. The construction performance standards of Part 146 should also be listed. *Will currently*

Attachments

cc: Eric Olson, OGC
Donald Olson, OWEP
Derrick Hobson, Region VIII

has been reviewed by the OGC, OWEP, and the Region VIII. In judgement of the permit writer, the quality of the cement bond, and the actual effectiveness of the construction in preventing casing + cement the movement of fluids is yet to be determined by an injectivity profile + pressure test of well. Approval of the permits is contingent on the permittee promising that the well, as it is as it is described, as built, constructed, is effective in preventing migration of fluids into a USBR.

OFFICE OF

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REGIONAL COUNSEL

ROUTING AND TRANSMITTAL SLIP

Date

10/24/84

TO: (Name, office symbol, room number,
building, Agency/Post)

Initials

Date

1. DAN/DAVE

2. ERIC O.

3. DON O.

4. AL M.

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

Please Review these
permits & have comments to
me by ~~by~~ 10/31.
Thanks.

DO NOT use this form as a RECORD of approvals, concurrences, disposals,
clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

John A.

5041-102

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

☆ GPO: 1983 O - 381-529 (232)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80295

OCT 19 1984

REF: 8WM-DW

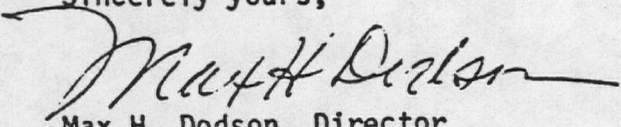
James Johnson
Grace Petroleum Corporation
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

Re: Draft Underground Injection
Control Permits for:
EPU 110-XD (MTS21PE-0007)
Goings Gov't #1 (MTS21PW-0008)
Buck Elk #2 (MTS21PE-0009)

Dear Mr. Johnson:

Attached are copies of the draft Underground Injection Control Permits for the above-mentioned wells in Roosevelt County, Montana. Notices should appear soon in the Billings Gazette and in the Herald News notifying the public of their opportunity to comment on the draft permit. Please note that this is also your opportunity to carefully inspect the permit and be sure that you are aware of and agree with all the conditions stated therein. The public comment period will run until November 19th 1984. If you have any questions on this action, please contact Laura Clemmens at (303) 844-2731 by November 19th 1984.

Sincerely yours,


Max H. Dodson, Director
Water Management Division

cc: Bob Coffia



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80295

PUBLIC NOTICE

DRAFT UNDERGROUND INJECTION CONTROL PERMITS

EPA Region VIII is currently reviewing applications for three UIC permits from Grace Petroleum Corporation of 143 Union Boulevard, Suite 760, Lakewood, Colorado, 80228. All three wells are located in Roosevelt County, Montana. Information specific to each well follows:

- 1) The EPU 110-XD is located in the SE quarter of Section 10, Township 28N, Range 51E. Grace Petroleum Corporation has been injecting produced water from the Nisku and Charles Formations through the EPU 110-XD into the Mission Canyon Formation at a depth of approximately 6300'. The well has been injecting since October, 1973.
- 2) The Goings Government #1 is located in the SW quarter of Section 11, Township 29N, Range 50E. Grace Petroleum Corporation has been injecting produced water from the Charles Formation into the Dakota Formation at a depth of approximately 3700'. The well has been injecting since May, 1979.
- 3) The Buck Elk #2 is located in the NW quarter of Section 7, Township 29N, Range 51 E. The Buck Elk #2 has been injecting produced water from the Charles Formation into the Judith River Formation at a depth of approximately 1150 feet. The Buck Elk is used as a standby well and has been injecting sporadically since December, 1967.

All three wells were existing at the time of the inception of the EPA Underground Injection Control Program, therefore, aquifer exemptions were granted for a 1/4 mile radius of the well bore of each well. An aquifer exemption allows the injection of oil and gas related brines into an aquifer that is otherwise considered an Underground Source of Drinking Water.

Grace Petroleum Corporation has supplied all the required information and the data necessary for permit issuance. EPA has reviewed this information and is hereby issuing notice of intent to issue permits to inject to the EPU 110-XD, the Goings Government #1, and the Buck Elk #2.

All data submitted by the applicant, including the draft permit prepared by EPA for all 3 wells, are contained in the administrative records for each well. This information is available for public inspection at the following locations from 9 a.m. to 5 p.m.

Environmental Protection Agency
Montana Office
Attention: John Wardell
Federal Office Building
Drawer 10096
301 South Park
Helena, Montana 59626-0026
Telephone: (406) 449-5432

Environmental Protection Agency
Region VIII
Ground Water Section
Attention: Laura Clemmens
1860 Lincoln Street
Denver, Colorado 80295
Telephone: (303) 844-2731

Public comments are encouraged and will be accepted in writing until November 26, 1984. A public hearing will be held at the EPA office in Helena on November 28, 1984, at 10:00 A.M. The hearing will be cancelled if sufficient interest is not shown. Those planning on attending the hearing should contact either the Denver or Helena offices of EPA by Monday, November 26, to determine if the hearing will be held.

DRAFT

Permit Number: MTS21PE-0007

In compliance with provisions of the Safe Drinking Water Act, as amended, (42 U.S.C. 300f-300j-9, commonly known as SDWA) and attendant regulations incorporated by the U.S. Environmental Protection Agency under Title 40 of the Code of Federal Regulations,

Grace Petroleum Corporation

oil and gas production
is authorized to inject waste brine fluids into the EPU 110-XD, located in the SE quarter of Section 10, Township 28N, Range 51E of Roosevelt County, Montana, into the Mission Canyon Formation, in accordance with conditions set forth herein. This permit does not constitute Bureau of Land Management (BLM) approval for subsurface injection. Applicant needs to contact BLM to determine if changes need to be made to the BLM permit.

reference to
All ~~conditions~~ (set forth herein refer to) Title 40 Parts 144, 146, and 147 of the Code of Federal Regulations ~~and are~~ regulations that are in effect on the date that this permit is effective.

is
This permit ~~and the authorization to inject~~ *is* ~~are issued~~ for the operating life of the well, ~~but~~ shall be reviewed at least every five years.

unless permitted, and
Signed and effective this _____ day of _____, 1984.

Max H. Dodson, Director
Water Management Division